

back to \$2 or \$1.80. It never went much above \$2. Now, it is way above. It is \$8 and something right now, and we are still not into the high season. The average price for the year is somewhere between 9 and 10, and then when you get transmission costs and storage costs, we, as consumers, are going to be paying \$13, \$14, \$15 for gas.

I believe that clean, green natural gas is really our best hope. But we have to drill for it. And people in this Congress are just as much against drilling a gas well as they are against drilling an oil well. And I think they are wrong on both. But there is no good argument. There has never been a beach dirtied by a gas well. There has never been an environmental threat by a gas well. It is the cleanest fuel we have. There is no NO_x, no SO_x, and a third of the CO₂ if that is keeping you awake at night.

Now, coal is 23 percent. Coal has great potential for liquid or gas. But there is a real push around here against coal. I think it is a mistake. It is the one we have the most of. If we continue that, gas will be the winner, and gas prices will continue to rise. And if we continue to have the highest gas prices in the world, we just won't be a competitive country. Nuclear is at 8 percent. From the 2005 bill, we have a lot of companies going in for permits now. We need all 35 that are starting the process to be completed in a very short period of time if we don't want this figure to go down, because the energy electric use in this country is rising fast and nuclear is about 20 percent of it. But that figure will drop because nuclear has not grown. We haven't built a nuclear plant in a long time. The interesting part is, as we attempt to build nuclear plants, the shroud, which is the big steel casing that they use, we don't make them in America. The companies that are that far along in the permit process are buying them from Japan. I find that unfortunate, and someone told me an awful lot of the components are going to be purchased in Germany because we don't have the capacity because we have done so little with nuclear in the last decade.

Hydroelectric, a figure that continues to decline. Biomass is the fastest growing figure. That is wood waste. A lot of it is being used. There's a million Americans heating their homes with pellet stoves. That is compressed wood waste. We have power plants that are using it to top the coal load so that they can slide under the environmental standards because it burns a lot cleaner than coal. We have a lot of companies in the wood business and around where there is wood waste using it to heat their factories. Most of the dry kilns drying wood are now biomass burners. So biomass has just been sort of growing on its own because sawdust used to be a commodity. I remember in Pennsylvania when I was in State government, they were trying to make it a hazardous waste. I fought that because

it is not a hazardous waste. And now it's a commodity that sells. People want it.

Geothermal, a nice way to heat your homes if you are not in zero climate. In a mild climate, it is a good exchange of using underground water, whether you have a loop system where you have a big piping system with water or whether you drill into the aquifers and use that water, you take heat out of it in the wintertime to warm your home, and you take cold out of it in the summertime to cool your home. But, again, it is an investment up front. I know people who have it. If they build a second home, they usually put it in unless they are in a high zero where there is a lot of cold weather. It has its limitations when the weather is zero.

Wind and solar, this is the part that I find scary. Too many Americans think that wind and solar are prepared to become major energy sources. You can see the numbers, 0.06, 0.12. If we double those numbers, they are still a pretty small fraction, and it will take years to do that. But, unfortunately, an awful lot of Americans want this group right here to be our major energy source. I wish there was a way to do that. There are an awful lot of Members of Congress who think petroleum, gas and coal are just evil and we shouldn't do any more production of it, and they won't vote for a bill to lease land. They won't vote for a bill to open up areas. Some of them are against nuclear. Some aren't. That is a mixed bag. But, folks, this is the major part of America's energy production. It is 94 percent of our energy production, nuclear, coal, gas and petroleum. And it will be a major part of our energy portfolio for a long time whether we like it or not because none of these are prepared to take over. I wish they were.

Now, there's a lot of creative things. But they are little niche players. They are little niche markets. They are not huge volumes. So it is important that Americans understand that whether we like it or not, fossil fuels are going to be our major energy source a lot longer than we want them. If we continue to not produce our own, then we are going to have to buy them from foreign countries.

Now, I want to talk about natural gas a little bit. This is America's gem. We have lots of natural gas. And I find it astounding that so many Members of Congress and three administrations in a row have locked up our Outer Continental Shelf, which has huge reserves of clean, green natural gas. I don't understand it. I don't know what they are thinking about. I don't know what their hopes are or dreams are, because, folks, we can't afford to continue to do that. Natural gas is a far more bigger part of our life than most people realize. Now, you see all of these products here. They are all made with natural gas. Not only as a heat source, but as an ingredient. Somewhere here you will find soaps and skin lotions and skin softeners. Yes, ladies, the skin

softeners that you love and we all like that keep our skin soft are a direct derivative of natural gas stock. Polyurethane, plastics, petrochemicals, fertilizer, all made, fertilizer that we grow corn with to produce ethanol, 70 percent of the cost is natural gas. It is the reason in how we make all of these products. And yet we lock it up and treat it like it is something evil. I just plain don't understand that.

We have a bill that opens up the Outer Continental Shelf. Now, we are only doing it for natural gas. I think it should be for both because every other part of the world produces both. But I have not been able to get natural gas here. Now, we passed a good bill last session in the House that opened up gas and oil both. But we didn't get any action in the Senate. So we are going at it cautiously this time, just natural gas. This bill is very States' rights oriented. We will lock up the first 25 miles, can't produce it, that is out of sight. Eleven miles is sight line. The second 25 miles, States have a right to open up if they want to just by passing a State law. We will repeal the moratorium, but it doesn't repeal unless the States pass a bill. Now, the second 50 miles will be open unless the State passes a law and this gives States rights for 100 miles to close it. Now, this is much more conservative than I would like, but we are trying to get some natural gas for America to stop a calamity of starving our industry and our homeowners from affordable natural gas. Now, the second 100 miles would be open, period.

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Those who produce natural gas say this would help immensely because clean, green natural gas can be our bridge to renewables. To make ethanol, we use a huge amount of natural gas. If we go to a hydrogen society, the only good way right now of making hydrogen quickly is natural gas. Natural gas is used to make biodiesel. Natural gas heats 50 some percent of our homes; 58 percent, I believe. It runs our major industries. It's the major feedstock for the polymers and plastic and fertilizer and petrochemical. We use huge amounts of it to make bricks and glass and steel and aluminum and to bend metal and to treat products, heat-treat things.

In my district, we have the powdered metal industry. They use huge amounts of natural gas to make that new powdered metal product that has brought the price of cars and vehicles and all kinds of moving parts down because it's so much less expensive than the old machining and forging of parts. Powdered metals. But they heat treat it with clean, green natural gas.

Natural gas is the fuel that should bridge us to where some kind of new energy, whether when we learn how to release hydrogen from water and then learn how to transport hydrogen safely, it takes years to develop all of the facets of an industry so that it becomes